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TAGS: [PGOV](#) [UP](#)
SUBJECT: UKRAINE: ALLIANCE SHIFTS - BROAD COALITION IN THE
OFFING?

Classified By: Ambassador, reason 1.4 (b,d)

¶1. (C) Summary: Internal friction inside both the opposition and the majority coalition came to a head March 20 with the latest failed vote to approve a foreign minister seeming to spark a realignment of political forces in Ukrainian politics. The morning began with parts of the coalition seemingly poised to back President Yushchenko's choice for FM, Volodymyr Ohryzko, but after the communists threatened to pull out of the coalition if Ohryzko were approved, the vote failed. PM Yanukovych subsequently announced that Our Ukraine (OU) MP Anatoliy Kinakh, leader of one of OU's six constituent parties, would join the Cabinet March 21 as a First Deputy PM in charge of reform. Concurrent with this appointment, according to several contacts, will be the defection of Kinakh's ten-odd MPs, either into an independent faction or into coalition with Regions. Many expect that former PM Yekhanurov's group within OU may also leave in the near future over dissatisfaction with confrontational tactics led by BYuT leader Tymoshenko.

¶2. (C) Comment: This emerging new alliance is motivated on one side by long-standing distrust and dislike by many OU MPs for Tymoshenko and her tactics, and on the other by Regions' frustration with having to cater to Communist and Socialist demands in order to keep the coalition intact. If Kinakh's group joined the coalition formally, Regions could remove the Communists, who were never comfortable in the coalition and have seen firebrand Progressive Socialist Natalya Vitrenko eat into their base. If Kinakh's faction stayed outside, it could still give Regions votes on key measures on which the Communists balk, such as the vote for Ohryzko. How the shifting alliances affect the unresolved dynamic between Yushchenko and Yanukovych remain to be seen. End Summary and Comment.

Ohryzko fails again, but triggers change?

¶3. (SBU) Before the vote on Ohryzko's candidacy, an academic contact in the Rada told us that the Socialists would vote for Ohryzko, and that Regions would provide 20 votes as well. Twenty minutes later, the vote failed with only 195 in favor, from BYuT, OU, one Socialists, and two independents. After the vote, Communist MP Holub proudly told us that the Communists had stopped Regions from supporting Ohryzko, an assessment later confirmed by Regions and OU MPs. Had the Communists pulled out of the coalition, it would have dropped the coalition under the 226 MP minimum and triggered a resignation of the Yanukovych government.

Orange joins blue: Kinakh makes a move

¶4. (SBU) The major development came several hours later. PM Yanukovych, attending the 15th anniversary gathering of Kinakh's Congress of Industrialists and Entrepreneurs,

announced that he had offered Kinakh, who had served as PM under Kuchma from 2001-02 after Yushchenko and before Yanukovych, the position of First Deputy PM in charge of reform. Although the announcement did not mention Kinakh's sub-faction of OU (an estimated ten of 79 MPs), speculation is that they will depart the OU faction currently in hard opposition to the government. Opposition leader Tymoshenko warned visiting EUR DAS Kramer and NSC Director Sterling March 19 about the possibility of Kinakh's departure; Committee of Voters of Ukraine head Ihor Popov told us a similar story earlier March 20. Kinakh's public comments after Yanukovych's announcement were vague, but he did say he wanted to deepen cooperation with the majority.

OU split over cooperation with Tymo vs. Yanu

15. (C) Chair of the EuroIntegration Committee Natalya Prokopovych, aligned with Yekhanurov, told Sterling March 20 that many OU MPs were frustrated with the faction's decision to cooperate with Tymoshenko and be in staunch opposition. She said that post-election discussions in 2006 between OU and Regions showed that they agreed on 80 percent of their policy agendas (note: a coalition agreement was actually initialed June 20, only for Yushchenko to change his mind and back the alternate deal with BYuT and Socialists; Regions and OU also almost formed a broad coalition August 4 after Yushchenko named Yanukovych PM, but that deal foundered over Poroshenko's insistence at being named first deputy PM).

16. (C) Prokopovych said that in roundtable discussions March 19 after a Yushchenko-Yanukovych-Moroz meeting, Regions had agreed to support Yushchenko's proposed judicial reforms; the issue had been placed on the Rada's March 20 agenda.

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However, when the vote on Ohryzko failed, the opposition resumed its boycott of the plenary session, postponing discussion of judicial reform. In her view, such behavior was pointless and unproductive; cooperation with Regions was necessary in some form. Prokopovych believed that 34 OU MPs were ready to form their own faction (note: separate from MPs led by current faction leader Kyrylenko now cooperating with Tymoshenko. This number tracks our estimates of intra OU faction splits after the March 2006 election, when 30 MPs appeared to favor a broad coalition with Regions, 30 MPs favored working with BYuT and the Socialists, and 20 were willing to support Yushchenko's preference.)

Regions welcoming defectors with open arms

17. (C) Comment: There have been signs for months, including occasional open sniping between the coalition members, that Regions was frustrated with the Socialists and Communists. Similarly, OU has been split since the March 2006 elections over whether to cooperate with Tymoshenko or Regions. Budget Committee Chair Makeyenko (Regions), long an open proponent of cooperation with OU, told NSC Director Sterling March 20 that Regions was fed up with having to kow-tow to demands from the Communists and Socialists, factions of 21 and 30 MPs respectively, to Regions' 185. The latest example was the vote on Ohryzko as FM. If, Makeyenko argued to us, there could be a broader coalition that included some or all of OU, Regions could ignore the Communists. Yanukovych, in his March 19 meeting with DAS Kramer and Director Sterling, also talked of a broader coalition (septel), although not in detail. How these developments may affect the wider Yushchenko-Yanukovych dynamic and relations between the President's team and the Regions-led Cabinet, however, remain an open question.

18. (SBU) Note: late in the evening March 20, the Presidential Secretariat announced that President Yushchenko would

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nominate Deputy Presidential Secretariat Head Arseniy Yatseniuk for FM. Yatseniuk previously drew positive reviews as Minister of Economy in the Yekhanurov government.

19. (U) Visit Embassy Kyiv's classified website:
www.state.sgov.gov/p/eur/kyiv.
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